

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.

FINANCIAL STATEMENTS

JANUARY 31, 2012 AND 2011

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

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Independent Auditor's Report

To the Board of Directors of
Jessie Trice Community Health Center, Inc.
(Formerly, Economic Opportunity Family Health Center, Inc.)

We have audited the accompanying statements of financial position of Jessie Trice Community Health Center, Inc. (the "Center") as of January 31, 2012 and 2011, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jessie Trice Community Health Center, Inc. (Formerly, Economic Opportunity Family Health Center, Inc.) as of January 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated August 20, 2012, on our consideration of the Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Center taken as a whole. The supplemental schedules on pages 20 through 27 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Shampton Brunson & Company P.C.

August 20, 2012

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
JANUARY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current Assets:		
Cash	\$ 14,467	\$ 474,411
Cash - restricted	2,707,729	864,681
Patient services receivable, net	771,190	792,116
Other grants and contracts receivable	658,404	996,349
Mortgage receivable	13,344	13,344
Prepaid expenses and other current assets	273,884	255,716
Government securities - designated reserve	<u>677,836</u>	<u>662,432</u>
Total current assets	<u>5,116,854</u>	<u>4,059,049</u>
Property and equipment, net	10,630,477	4,237,453
Construction-in-progress	13,753	2,245,100
Investments	300,050	300,050
Security deposits	<u>29,608</u>	<u>64,310</u>
Total Assets	<u>\$ 16,090,742</u>	<u>\$ 10,905,962</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 691,024	\$ 961,303
Compensated absences	1,156,370	1,049,327
Refundable advances	362,495	34,760
Line of credit	1,000	1,000
Mortgage payable, current	<u>182,850</u>	<u>15,000</u>
Total current liabilities	<u>2,393,739</u>	<u>2,061,390</u>
Mortgage payable, less current maturities	<u>3,584,151</u>	<u>1,182,456</u>
Total liabilities	<u>5,977,890</u>	<u>3,243,846</u>
Net Assets:		
Unrestricted	9,435,016	6,999,684
Temporarily restricted	<u>677,836</u>	<u>662,432</u>
Total net assets	<u>10,112,852</u>	<u>7,662,116</u>
Total Liabilities and Net Assets	<u>\$ 16,090,742</u>	<u>\$ 10,905,962</u>

The accompanying notes are an integral part of these financial statements.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JANUARY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
OPERATING REVENUE		
DHHS grants	\$ 8,888,205	\$ 9,015,588
Patient services revenue	6,676,133	6,955,800
Other grants and contracts	5,874,553	5,075,575
Interest income	19,687	20,876
In-Kind Services & Supplies	29,055	-
Other	<u>24,253</u>	<u>75,283</u>
Total Operating Revenue	<u>21,511,886</u>	<u>21,143,122</u>
OPERATING EXPENSES		
Program Services:		
Medical services	11,391,206	10,783,397
Dental services	951,222	786,329
Health resources, administrative and HIV services	1,074,223	1,033,822
Health resources, administrative and HIV services – American Recovery and Reinvestment Act	115,155	602,977
Rehabilitative and substance abuse services	1,290,729	1,241,337
Community promotions	419,579	467,384
Other	<u>134,783</u>	<u>38,905</u>
Total program services	<u>15,376,897</u>	<u>14,954,151</u>
Supporting services:		
General and administrative	<u>3,684,253</u>	<u>4,113,194</u>
Total supporting expenses	<u>3,684,253</u>	<u>4,113,194</u>
Total Operating Expenses	<u>19,061,150</u>	<u>19,067,345</u>
Increase in net assets	2,450,736	2,075,777
Net assets, beginning of year	<u>7,662,116</u>	<u>5,586,339</u>
Net assets at end of year	<u>\$ 10,112,852</u>	<u>\$ 7,662,116</u>

The accompanying notes are an integral part of these financial statements.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JANUARY 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Increase in net assets	\$ 2,450,736	\$ 2,075,777
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	439,086	388,703
Provision for bad debts	397,252	423,829
Disposition of Assets	76,979	-
Change in assets and liabilities:		
(Increase) decrease in:		
Patient services receivable	(376,327)	(540,966)
Other grants and contracts receivable	337,945	(52,142)
Prepaid expenses and other current assets	(18,168)	110,994
Security deposits	34,702	11,440
Increase (decrease) in:		
Accounts payable and accrued expenses	(270,279)	145,351
Accrued compensation	107,043	253,762
Refundable advances	<u>327,735</u>	<u>(138,623)</u>
Net cash provided by operating activities	<u>3,506,704</u>	<u>2,678,125</u>
Cash flows from investing activities:		
Purchases of property and equipment	(931,728)	(438,644)
Payment on construction-in-progress	(3,746,013)	(1,712,120)
Proceeds from mortgage receivable	<u>-</u>	<u>49,498</u>
Net cash (used in) provided by investing activities	<u>(4,677,741)</u>	<u>(2,101,266)</u>
Cash flows from financing activities:		
Payment into government securities – designated	(15,404)	(333,637)
Repayments of mortgage payable	<u>2,569,545</u>	<u>1,038,609</u>
Net cash used in financing activities	<u>2,554,141</u>	<u>704,972</u>
Increase (decrease) in cash	1,383,104	1,281,831
Cash at beginning of year	<u>1,339,092</u>	<u>57,261</u>
Cash at end of year	<u>\$ 2,722,196</u>	<u>\$ 1,339,092</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 1,023</u>	<u>\$ 5,624</u>

The accompanying notes are an integral part of these financial statements.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 1 - Organization

Jessie Trice Community Health Center, Inc. (the "Center") operates healthcare centers located in metropolitan Miami-Dade County, Florida. The Center provides a broad range of health services to a largely medically underserved population.

The US Department of Health and Human Services (the "DHHS") provides substantial support to the Center. The Center is obligated under the terms of the DHHS grants to comply with specified conditions and program requirements set forth by the grantor.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accounting and reporting policies of the Center conform with United States generally accepted accounting principles (GAAP) as codified in the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC).

Basis of presentation

The Center's financial statements are presented in accordance with Financial Accounting Standards Board in its Accounting Standards Codification (ASC) Topic 958, Not-for-Profit Entities. Under FASB ASC 958, the Center is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted - Unrestricted net assets include all net assets, which are neither temporarily nor permanently restricted and are available for use by the Center.

Temporarily restricted - Temporarily restricted net assets include board designated reserve for which time and purpose restrictions have not been met and the ultimate purpose of the board designated reserve is not permanently restricted. Net assets released from restrictions represent net assets that became unrestricted because of expenses incurred during the year or the passage of time satisfied the original restriction. The Center has temporarily restricted assets of \$677,836 and \$662,432 at January 31, 2012 and 2011, respectively.

Permanently restricted - Permanently restricted net assets consist of contributions subject to donor-imposed stipulations that they be maintained permanently by the Center. The Center did not have any permanently restricted net assets at January 31, 2012 and 2011.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 2 - Summary of Significant Accounting Policies (cont'd)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash

The Center maintains its cash in bank deposit accounts which, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) coverage limit. Management believes the Center is not exposed to any significant credit risk related to cash. The Center has not experienced any losses in such accounts.

Restricted cash

The Center has a cash collateral account that serves to secure and service loan with TD Bank. While cash deposits are made into this account, it is considered essentially a zero balance account and no sums can be withdrawn.

Patient services receivable, net

Patient services receivable are reported at their outstanding unpaid principal balances reduced by an allowance for doubtful accounts the Center estimates doubtful accounts based on historical bad debts, factors related to specific patients' ability to pay and current economic trends. The Center writes off accounts receivable against the allowance when a balance is determined to be uncollectible.

Property and equipment

Property and equipment is recorded at cost with a capitalization policy of \$1,000. Depreciation and amortization is recorded on a straight-line basis over the estimated useful lives of the assets, which are 5 years for equipment and vehicle, 7 years for fixtures, and 25 years for building and improvement.

When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in the current period.

Construction-in-progress

Construction-in-progress is recorded at cost and includes construction cost as well as capitalization of real estate taxes, insurance and interest. Depreciation is recorded when construction is substantially complete and the asset is placed into service.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 2 - Summary of Significant Accounting Policies (cont'd)

Impairment of assets

The Center accounts for its investment in Prestige Health Choice and Property and equipment under the FASB ASC 360-10-50-2 (formerly Statements of Financial Accounting Standards ("SFAS") No. 144) "Accounting for the Impairment or Disposal of Long Lived Assets" which requires the Center to write down to fair market value long term assets that have been impaired. The amount of the impairment loss is the amount by which the carrying value exceeds the fair market value of the property. The Center did not recognize an impairment loss for the years ended January 31, 2012 and 2011.

Government securities – designated reserve

Government securities – designated reserve consist of investments in government securities which are recorded at fair market value. These securities are restricted for funding future Center's development.

Compensated absences

The Center's policies provide for granting of a specific number of days of vacation and sick leave with pay or paid time off (PTO). In addition, these policies provide for paying an employee for unused vacation and holiday upon termination. Compensated absences are accrued when earned.

Refundable advances

The Center's policy is to record restricted or unearned grant awards as refundable advances until expended or earned for the purpose of the grant, at which time it becomes unconditional and is recognized as revenue.

Reclassifications

Certain amounts in the accompanying 2011 financial statements may have been reclassified to conform to the 2012 presentation.

Contributions

In accordance with FASB ASC 958, Not-for-Profit Entities, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as "satisfaction of donor imposed restrictions".

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 2 - Summary of Significant Accounting Policies (cont'd)

Grants and contracts revenue

Revenue from government grants and contracts designated for use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's restrictions. Grants and contracts awarded for the acquisition of long-lived assets are reported as unrestricted non-operating revenue, in the absence of donor stipulations to the contrary, during the fiscal year in which the assets are acquired. Cash received in excess of revenue recognized is recorded as refundable advances.

Patient services revenue

Patient services revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered. Self-pay revenue is recorded at published charges with charitable allowances deducted to arrive at net self-pay revenue. All other patient services revenue is recorded at published charges with contractual allowances deducted to arrive at patient services, net.

Net patient services revenue from the Medicaid and Medicare programs accounted for approximately 73% and 3% and 72% and 5%, respectively, of the Center's patient services revenue for the years ended January 31, 2012 and 2011, respectively. Laws and regulations governing the Medicaid and Medicare programs are complex and subject to interpretation. The Center believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as significant regulatory action including fines, penalties, and exclusion from the Medicaid and Medicare programs.

Income taxes

The Center has been granted an exemption from income taxes under Internal Revenue Code Section 501(c)(3) as a nonprofit organization and is classified as a public charity. Accordingly, income tax expense is limited to activities that are deemed by the Internal Revenue Service to be unrelated to their exempt purposes.

No provision for income taxes has been reflected in the accompanying financial statements. There was no unrelated business income for fiscal years ended January 31, 2012 and 2011.

The Center's federal exempt organization tax returns for the years ended January 31, 2011, 2010, and 2009 are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 2 - Summary of Significant Accounting Policies (cont'd)

Allocation of administrative and indirect costs

Directly identifiable expenses are charged to programs and supporting services. Management and general administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support of the Center. Such expenses are allocated on the basis of occupancy of square footage. Depreciation is allocated on the basis of usage of the related property and equipment.

Note 3 - Cash Restricted

Restricted cash was approximately \$2,708,000 and \$865,000 for the years ended January 31, 2012 and 2011, respectively. This account is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Note 4 - Patient Services Receivable, Net

Patient services receivable, net, consist of the following at January 31:

	<u>2012</u>	<u>2011</u>
Medicaid	\$ 920,910	\$ 839,741
Medicare	231,691	105,042
Other third-party payors	110,032	89,798
Self-pay	<u>798,645</u>	<u>182,628</u>
Subtotal	2,061,278	1,217,209
Less: allowance for doubtful accounts and contractual allowance	<u>(1,290,088)</u>	<u>(425,093)</u>
Total patient services receivable, net	<u>\$ 771,190</u>	<u>\$ 792,116</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
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Note 5 - Other Grants and Contracts Receivable

Other grants and contracts receivable consist of the following for the year ended January 31:

	<u>2012</u>	<u>2011</u>
Federal Program:		
Department of Health and Human Services (DHHS):		
ARRA – Integrated Development Services Grant (IDS)	\$ -	\$ 5,544
ARRA – Capital Improvement Plan Grant (CIP)	-	251,562
Primary Health Care Service (Section 330)	35,000	-
Early Intervention HIV Services (Ryan White Part C)	-	64,232
State of Florida:		
Department of Health and Rehabilitative Services:		
Alcohol, Drug Abuse and Mental Health Services	90,654	133,966
Healthy Start	86,967	124,203
Closing the GAP	12,719	22,769
African American Testing Initiative	12,500	6,250
Metro Dade County:		
Ryan White Part A	15,024	32,184
Health Choice Network:		
Children's Trust – Health Connect in Our Schools	284,088	142,538
Other:		
Children's Trust – Health Connect	43,984	48,636
School Board of Dade County - COPE North	45,000	107,583
Other (Project Screen, Urban League, etc.)	32,468	56,882
Total Other Grants and Contracts Receivable	<u>\$ 658,404</u>	<u>\$ 996,349</u>

Note 6 - Mortgage Receivable

During the year ended January 31, 2001, the Center sold a building for \$600,000. Under the terms of the mortgage, the loan is receivable in 120 monthly installments of \$13,347, including interest at 6% per annum.

The aggregate amount of future principal receipts on mortgage receivable is as follows:

<u>Year ending January 31,</u>	<u>2012</u>	<u>2011</u>
Community Financing Consortium	\$ 13,344	\$ 13,344
	13,344	13,344
Less: current maturities	<u>(13,344)</u>	<u>(13,344)</u>
Mortgage receivable, less current maturities	<u>\$ -</u>	<u>\$ -</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 7 - Construction-in-Progress

Construction-in-progress relating to the Center's capital improvement projects amounted to approximately \$14,000 and \$2,245,000 for the years ended January 31, 2012 and 2011, respectively. The facility was completed in October 2011.

Note 8 - Property and Equipment, Net:

Property and equipment, net, consists of the following at January 31:

	<u>2012</u>	<u>2011</u>
Land	\$ 186,528	\$ 186,528
Buildings and improvements	14,431,263	8,796,091
Furniture and fixtures	810,895	647,397
Movable equipment	1,629,804	1,226,323
Vehicle	<u>68,519</u>	<u>68,519</u>
	17,127,009	10,924,858
Less accumulated depreciation and amortization	<u>(6,496,531)</u>	<u>(7,083,752)</u>
	<u>\$ 10,630,477</u>	<u>\$ 4,187,511</u>

Depreciation and amortization expense was approximately \$439,000 and \$389,000 for the years ended January 31, 2012 and 2011, respectively. The Center retired certain fully depreciated medical equipment and demolished structure with an aggregate cost basis of approximately \$707,000 in the year ended January 31, 2012.

Note 9 - Investments

In May 2007, the Center purchased 3,825 units of Prestige Health Choice, LLC for \$251,300. The Center paid \$223,157 during the year ended January 31, 2008 and paid the remaining balance of \$28,143 during fiscal year ended 2009. In June 2009, the Center purchased 400 additional units for \$48,750 for a total of 4,225 units of Prestige Health Choice, LLC.

Investments at cost was approximately \$300,050 for the years ended January 31, 2012 and 2011.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 10 - Fair Value Measurements

The Center utilizes fair value measurements to record certain assets and to determine fair value disclosures. In accordance with FASB ASC Topic 820, "Fair Value Measurements," fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

ASC Topic 820 establishes a three-tier fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, as follows:

Level 1—Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Center has the ability to access.

Level 2—Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active and other inputs that are observable or can be corroborated by observable market data.

Level 3—Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
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Note 10 - Fair Value Measurements (cont'd)

The following table sets forth by level, within the fair value hierarchy, the Center's assets at fair value as of January 31:

2012

<u>Fair Value Measurements Using:</u>				
<u>Description</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Prestige Health Choice units	\$ 300,050	\$ -	\$ -	\$ 300,050
Government Securities	<u>677,836</u>	<u>677,836</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 977,886</u>	<u>\$ 677,836</u>	<u>\$ -</u>	<u>\$ 300,050</u>

2011

<u>Fair Value Measurements Using:</u>				
<u>Description</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Prestige Health Choice units	\$ 300,050	\$ -	\$ -	\$ 300,050
Government Securities	<u>662,432</u>	<u>662,432</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 962,482</u>	<u>\$ 662,432</u>	<u>\$ -</u>	<u>\$ 300,050</u>

Note 11 - Line of Credit

The Center executed a secured revolving line of credit with a financial institution in the amount of \$500,000 with a maturity date of June 30, 2011. This agreement requires monthly interest payments at the prime rate plus 1%. As of January 31, 2012 and 2011, the interest rate was 4.56% and 4.50%, respectively. The line of credit is secured by patient services and contracts receivable, equipment, furniture and fixtures not restricted by contractual agreement with grant sources.

The unspent balance as of January 31, 2012 and 2011 was approximately \$499,000 and \$499,000, respectively.

Note 12 - Refundable Advances

Refundable advances consist of the following at January 31:

	<u>2012</u>	<u>2011</u>
HSFS – Enhanced Senior Fitness/ Dental Equipment Grant	\$ 351,800	\$ 31,280
Other	<u>10,695</u>	<u>3,480</u>
	<u>\$ 362,495</u>	<u>\$ 34,760</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
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Note 13 - Long-term Debt

Long-term debt consists of the following at January 31:

	<u>2012</u>	<u>2011</u>
Mortgage payable - \$4,600,000 face amount, due June 30, 2020, payable in 96 monthly installments including interest of LIBOR plus 2.98% (no less than 3.50%) to begin once construction has been completed. The mortgage is secured by the land and building owned by the Center.	\$ 3,704,151	\$ 1,119,606
Mortgage payable - \$120,000 face amount, due October 1, 2013, amortized in 24 monthly installments of \$5,000, starting November 1, 2011, including interest at 0.00% per year. The note is secured by the interest purchased in Prestige Health Choice by the Center.	<u>62,850</u>	<u>77,850</u>
	3,767,001	1,197,456
Less: current maturities	<u>(182,850)</u>	<u>(15,000)</u>
Long-term portion	<u>\$ 3,584,151</u>	<u>\$ 1,182,456</u>

The aggregate amount of principal payments on long-term debt during the years is as follows:

Year ending January 31,

2013	\$ 182,850
2014	120,000
2015	120,000
2016	120,000
2017	120,000
Thereafter	<u>3,104,151</u>
	<u>\$ 3,767,001</u>

Note 14 - Temporarily Restricted Net Assets - Board Designated Reserve

The Board of Directors has designated certain investments as board designated reserves. These investments are held in separate accounts with a financial institution.

Board designations do not meet the criteria for being classified as permanently restricted net assets. Board designations are not donor-imposed restrictions and are subject to change at the Board's discretion.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
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Note 15 - DHHS Grant Revenue

DHHS Grant Revenue consists of the following for the years ended January 31:

<u>Grant Number</u>	<u>Grant Period</u>	<u>Total Grant</u>	<u>2012 Unrestricted Revenue Recognized</u>	<u>2011 Unrestricted Revenue Recognized</u>
5H76HA00097-18-01	7/01/10 - 6/30/11	\$ 775,929	\$ 449,624	\$ 326,305
5H76HA00097-19-03	7/01/11 - 6/30/12	950,929	326,305	449,624
6H8B CS 11713-01-01	3/27/09 - 3/26/11	783,891	22,292	494,889
1C81 CS 13724-01-00	6/29/09 - 6/28/11	1,463,695	647,889	662,731
6H80 CS 00732-10-04	3/01/11 - 1/31/12	6,852,517	6,852,002	-
6H80 CS 00732-09-04	2/01/10 - 2/28/11	7,671,058	<u>590,081</u>	<u>7,082,039</u>
Total			<u>\$ 8,888,205</u>	<u>\$ 9,015,588</u>

The Center has agreements with third-party payers that provide for reimbursement to the programs at amounts different from its established rates.

Medicare - Under Part B of the Medicare program, the Center is reimbursed 80% of cost for covered services. The Medicare patient is responsible for 20% co-insurance for covered services.

Medicaid - the Medicaid program operated by the State of Florida Agency for Health Care Administration (AHCA) provides reimbursements for certain outpatient services rendered to beneficiaries of the program based upon a reimbursable cost rate.

The Center has also entered into payment agreements with certain commercial insurance carriers, Health Maintenance Organizations (HMO) and preferred provider organizations. The basis for payments to the Center under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 16 - Patient Services Revenue, Net

Patient services revenue, net, consists of the following for the years ended January 31:

2012			
<u>Description</u>	<u>Gross Charges</u>	<u>Charitable and Contractual Allowances</u>	<u>Net Revenue</u>
Medicaid	\$ 4,937,969	\$ 2,232,481	\$ 2,705,488
Medicare	552,495	376,900	175,595
Self-pay	6,367,904	4,854,601	1,513,293
Other third-party payors	230,132	99,663	130,469
Managed care plans	<u>2,151,288</u>	<u>-</u>	<u>2,151,288</u>
Total	<u>\$ 14,239,788</u>	<u>\$ 7,563,650</u>	<u>\$ 6,676,133</u>

2011			
<u>Description</u>	<u>Gross Charges</u>	<u>Charitable and Contractual Allowances</u>	<u>Net Revenue</u>
Medicaid	\$ 5,060,343	\$ 2,368,087	\$ 2,692,256
Medicare	507,612	173,533	334,079
Self-pay	6,360,406	4,835,431	1,524,975
Other third-party payors	301,112	220,780	80,332
Managed care plans	<u>2,324,158</u>	<u>-</u>	<u>2,324,158</u>
Total	<u>\$ 14,553,631</u>	<u>\$ 7,597,831</u>	<u>\$ 6,955,800</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 17 - Other Grants and Contracts

Other grants and contracts consist of the following for the years ended January 31:

	<u>2012</u>	<u>2011</u>
State of Florida:		
Department of Health and Rehabilitative Services:		
Alcohol, Drug Abuse and Mental Health Services	\$ 72,837	\$ 166,060
Healthy Start Coalition	410,048	526,905
Closing the Gap	79,825	121,364
South Florida Provider Coalition	1,107,811	917,325
African American Testing Initiative	72,570	58,160
H1N1 Immunization Program	-	9,807
Food Stamp Program	36,005	46,763
Miami-Dade County, Florida:		
Office of Countywide Health Planning	1,838,983	861,701
Department of Health - Ryan White Title I	161,085	230,643
School Board of Dade County – COPE North	274,917	225,000
Health Choice Network:		
Health Connect in Our Schools	1,442,355	1,460,744
Other:		
Children's Trust (Health Navigator)	220,488	211,220
Urban League Pediatric Asthma Project	31,009	75,176
Other (Project Screen, WIC, etc.)	<u>126,619</u>	<u>164,707</u>
Total other grants and contracts	<u>\$ 5,874,553</u>	<u>\$ 5,075,575</u>

Note 18 - Pension Plan

The Center has a defined contribution pension plan (401K) covering substantially all employees who meet certain eligibility requirements. The amount contributed to the plan is a fixed percentage of the participants' compensation. Pension expense amounted to approximately \$220,000 and \$210,000 for the years ended January 31, 2012 and 2011, respectively.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 19 - Transactions with Health Choice Network, Inc.

The Center is a member of Health Choice Network, Inc., a consortium of Community Health Centers organized to improve the quality and quantity of health care services to the medically under served. The Center has a contract to provide health care services to patients enrolled in the Health Maintenance Organization (HMO) plan. As a result of the patients being enrolled in the HMO, the Center recognized revenue of approximately \$480,000 and \$536,000 for capitation and shared risk distribution payments for the years ended January 31, 2012 and 2011, respectively.

In addition, the Center was a recipient of grants that were passed through the Network. Those grants were related to prevention and early detection of cancer as well as prevention and increase awareness of diabetes among the uninsured and underserved population. The total amount of revenue recognized in connection with those grants totaled approximately \$1,442,000 and \$1,461,000 for the years ended January 31, 2012 and 2011.

As a result of being a member of Health Choice Network, Inc., the Center paid approximately \$1,039,000 and \$951,000 to Health Choice Network, Inc. for fiscal integrated services, fiscal MIS services, centralized billing, communication and other miscellaneous costs for the years ended January 31, 2012 and 2011, respectively.

Note 20 - Lease Commitments

The Center leased various facilities. Rent expense for the years ended January 31, 2012 and 2011 was approximately \$668,000 and \$692,000, respectively. The facilities and various equipments are under non-cancelable operating leases requiring figure minimum payments as follows:

<u>Year ending January 31,</u>	
2013	\$ 483,000
2014	497,000
2015	512,000
2016	528,000
2017	543,000
Thereafter	543,000
	<u>\$ 3,106,000</u>

Three facility leases are adjusted annually based on the consumer price index.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2012 AND 2011

Note 21 - Contingencies

The Center has contracted with various funding agencies to perform certain healthcare services, and receives Medicaid and Medicare revenue from the state and federal governments. Reimbursements received under these contracts and payments under Medicaid and Medicare are subject to audit by federal and state governments and other agencies. Upon audit, if discrepancies are discovered the Center could be held responsible for reimbursing the agencies for the amounts in question.

The Center maintains its medical malpractice coverage under the Federal Tort Claims Act ("FTCA"). FTCA provides malpractice coverage to eligible PBS-supported programs and applies to the Center and its employees while providing services within the scope of employment, included under grant-related activities. The Attorney General, through the U.S. Department of Justice has the responsibility for the defense of the individual and/or grantee for malpractice cases approved for FTCA coverage. The Center maintains gap insurance for programs not Covered by FTCA.

The Center receives a significant portion of its funding from federal, state and local grants. A significant reduction in the level of this funding, if this were to occur, would have an effect on the Center's ability to carry out its programs and activities.

Costs reflected in the accompanying financial statements relating to government funded programs are subject to audit by the grantors. The possible disallowance by the grantor of any item charged to the program cannot be determined at this time. No provision for any liability that may result has been made in the financial statements.

The Center is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Center's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Center.

Note 22 - Subsequent Event

Subsequent events that have been evaluated through August 20, 2012, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

Note 23 - New pronouncements

In January 2010, The FASB issued ASU No. 2010-06, Improving Disclosures about Fair Value Measurements. This amends the Fair Value Measurement topic of the Accounting Standards Codification to require additional disclosures. The standards require entities to disclose transfers of assets in and out of Levels 1 and 2 of the fair value hierarchy, and the reasons for those transfers, and to report fair values based on class rather than category. The standards also require separate presentation of purchases and sales in the Level 3 asset reconciliation. This new pronouncement did not impact the Center's financial statements.

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.

SUPPLEMENTAL SCHEDULES

FOR THE YEARS ENDED JANUARY 31, 2012 AND 2011

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JANUARY 31, 2012

<u>Description</u>	<u>Program Services</u>							<u>Supporting Services</u>	
	<u>Medical Services</u>	<u>Dental Services</u>	<u>Health Resources Services Admin. ARRA Services</u>	<u>Health Resources Services Admin. HIV Health Services</u>	<u>Health & Rehab Substance Abuse Program</u>	<u>Community Promotion</u>	<u>Other</u>	<u>Total Program Services</u>	<u>General & Admin</u>
Salaries	\$ 7,084,837	\$ 636,229	\$ 91,189	\$ 705,727	\$ 690,409	\$ 277,443	\$ -	\$ 9,485,834	\$ 1,754,553
Fringe benefits	1,213,098	100,472	17,256	125,105	145,954	57,155	-	1,659,040	274,348
Healthcare consultants	231,203	7,339	-	114,201	1,458	-	-	354,201	-
Consultants and professional fees	596,604	39,571	-	25,161	228,124	54,896	1,565	945,921	678,622
Consumable supplies	227,991	84,136	-	93,831	38,071	8,049	-	452,078	70,373
Pharmacy	28,664	-	-	-	-	-	-	28,664	-
Occupancy	806,125	4,650	-	-	59,819	-	16,688	887,282	249,173
Insurance	28,948	-	-	-	-	4,117	-	33,065	175,922
Repairs and maintenance	308,270	24,496	6,310	3,556	44,676	2,920	135	390,363	45,708
Telephone	118,215	3,329	-	3,790	15,824	8,095	4,746	153,999	83,672
Travel, conferences and meetings	16,150	4,269	-	712	1,754	2,737	-	25,622	69,990
Staff training	7,150	561	-	-	1,746	1,126	-	10,583	43,125
Dues and subscriptions	15,270	1,801	-	304	3,276	-	326	20,977	60,346
Printing, publications, and postage	37,776	1,465	400	483	2,290	2,231	-	44,645	27,939
Interest	-	-	-	-	-	-	-	-	1,023
Provision for bad debts	333,158	24,784	-	-	38,368	-	-	396,310	942
Depreciation and amortization	320,338	18,120	-	-	10,872	810	531	350,671	88,415
Other	17,409	-	-	1,353	8,088	-	110,792	137,642	60,102
Total functional expenses	\$11,391,206	\$ 951,222	\$ 115,155	\$ 1,074,223	\$ 1,290,729	\$ 419,579	\$ 134,783	\$ 15,376,897	\$ 3,684,253
									\$ 19,061,150

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JANUARY 31, 2011

Description	Program Services							Total Program Services	General & Admin	Total
	Medical Services	Dental Services	Health Resources Services Admin. ARRA Services	Health Resources Services Admin. HIV Health Services	Health & Rehab Services Substance Abuse Program	Community Promotion	Other			
Salaries	\$ 6,930,878	\$ 583,612	\$ 513,520	\$ 712,403	\$ 665,166	\$ 331,324	\$ -	\$ 9,736,903	\$ 1,742,152	\$ 11,479,055
Fringe benefits	992,713	79,895	67,708	111,516	117,237	51,497	-	1,420,566	256,103	1,676,669
Healthcare consultants	220,554	10,195	-	76,157	1,745	-	-	308,651	-	308,651
Consultants and professional fees	335,760	2,006	-	14,421	218,818	38,829	6,970	616,804	1,130,109	1,746,913
Consumable supplies	259,000	70,119	19,640	32,006	49,637	13,135	127	443,664	33,277	476,941
Pharmacy	43,952	265	-	62,837	-	-	-	107,054	-	107,054
Occupancy	778,748	22	-	112	53,390	-	24,075	856,347	268,312	1,124,659
Insurance	28,853	-	-	-	-	3,905	-	32,758	264,886	297,644
Repairs and maintenance	294,339	14,364	-	3,112	44,358	3,759	663	360,595	32,135	392,730
Telephone	116,501	3,490	-	6,199	16,928	11,403	4,573	159,094	85,019	244,113
Travel, conferences and meetings	20,716	4,261	-	8,199	1,782	3,359	-	38,317	85,172	123,489
Staff training	4,552	400	-	90	1,205	5,626	-	11,873	20,626	32,499
Dues and subscriptions	11,527	258	-	-	2,387	-	233	14,405	57,056	71,461
Printing, publications, and postage	40,623	571	2,109	1,274	636	2,881	-	48,094	22,497	70,591
Interest	-	-	-	-	730	-	-	730	4,894	5,624
Provision for bad debts	378,913	12,262	-	5,008	2,265	-	-	398,448	25,382	423,830
Depreciation and amortization	307,321	4,609	-	-	65,053	1,216	2,264	380,463	8,240	388,703
Other	18,447	-	-	488	-	450	-	19,385	77,334	96,719
Total functional expenses	\$10,783,397	\$ 786,329	\$ 602,977	\$ 1,033,822	\$ 1,241,337	\$ 467,384	\$ 38,905	\$ 14,954,151	\$ 4,113,194	\$ 19,067,345

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.

**REQUIRED SUPPLEMENTAL SCHEDULES FOR
THE DEPARTMENT OF CHILDREN AND FAMILIES**

FOR THE YEARS ENDED JANUARY 31, 2012 AND 2011

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF STATE EARNINGS
FOR THE YEAR ENDED JANUARY 31, 2012

1. Total Expenditures	\$ 19,061,150
2. Less: Other State and Federal Funds	(12,915,258)
3. Less: Non-match ADM Funds	(1,043,136)
4. Less: Unallowable Costs Per 65E-14, FAC	(13,049)
5. Less: Unallowable Patient Fees	<u>(1,719,501)</u>
6. Total Allowable Expenditures <i>(Sum of lines 1, 2, 3, 4 and 5)</i>	3,370,206
7. Maximum Available Earnings <i>(Line 6 time 75%)</i>	<u>2,527,654</u>
8. Amount of State Funds Requiring Match <i>(Total amount of contract fund paid by the Department)</i>	<u>(137,511)</u>
9. Amount Due to Department <i>(Subtract line 8 from line 7, If negative, the amount of the difference is due to the Department up to the amount of line 8)</i>	<u>\$ 2,390,143</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF STATE EARNINGS
FOR THE YEAR ENDED JANUARY 31, 2011

1. Total Expenditures	\$ 19,067,244
2. Less Other State and Federal Funds	(13,282,418)
3. Less Non-Match ADM Funds	(787,555)
4. Less Unallowable Costs Per 65E-14, FAC	(67,721)
5. Less Unallowable Patient Fees	<u>(2,252,532)</u>
6. Total Allowable Expenditures <i>(Sum of lines 1, 2, 3, 4 and 5)</i>	2,677,018
7. Maximum Available Earnings <i>(Line 6 time 75%)</i>	<u>2,007,764</u>
8. Amount of State Funds Requiring Match <i>(Total amount of contract fund paid by the Department)</i>	<u>(295,831)</u>
9. Amount Due to Department <i>(Subtract line 8 from line 7, If negative, the amount of the difference is due to the Department up to the amount of line 8)</i>	<u>\$ 1,711,933</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM/COST CENTER ACTUAL REVENUE AND EXPENSES SCHEDULE
FOR THE PERIOD FEBRUARY 1, 2011 THROUGH JANUARY 31, 2012

AGENCY: <u>Jessie Trice Community Health Center, Inc.</u>		DATE PREPARED: _____													
PART I: Audit Schedule															
		STATE-DESIGNATED SAMH COST CENTERS													
		STATE SAMH-FUNDED COST CENTERS													
		Program 1													
		Combined Programs													
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JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM/COST CENTER ACTUAL REVENUE AND EXPENSES SCHEDULE
FOR THE PERIOD FEBRUARY 1, 2011 THROUGH JANUARY 31, 2012

STATE DESIGNATED SAMH COST CENTERS																			*except BC & D	
STATE SAMH-FUNDED COST CENTERS																				
EXPENSE CATEGORIES	Combined Programs				Program 1				Total for State SAMH-Funded Cost Centers (C+...+C4)				Total for Non-State-SAMH Cost Centers (D+E)				Total Expenses (F+G+H+I+J)			
	RESIDENTIAL II 98%	RESIDENTIAL IV 5%	Total for Program 1 or Combined (B1+...+B4)	C1	B1+...	B2+...	B3+...	B4+...	Children Substance Abuse/Prevention/Intervention B1+...	Total for Program 1 (B1+...+B4)	D	E	F	G	H	I	J			
IA. PERSONNEL EXPENSES																				
(1) Salaries	\$ 383,519.03	\$ 20,183.34	\$ 403,702.37	\$ 192,375.65	\$ 594,079.92	\$ 94,328.58	\$ 165,548.02	\$ 2,031.48	\$ 107,448.71	\$ 1,448.59	\$ 148,895.21	\$ 148,895.21	\$ 800,408.50	\$ 8,795,423.50	\$ -	\$ 1,754,555.00	\$ 11,240,387.00			
(2) Fringe Benefits	\$ 75,585.88	\$ 3,978.20	\$ 79,564.08	\$ 13,645.97	\$ 13,700.78	\$ -	\$ -	\$ -	\$ -	\$ 49.88	\$ 1,753.98	\$ 1,753.98	\$ 145,954.23	\$ 1,513,083.77	\$ -	\$ 274,340.00	\$ 1,933,387.00			
TOTAL PERSONNEL EXPENSES =	\$ 459,105.51	\$ 24,161.54	\$ 483,269.95	\$ 47,707.18	\$ 47,707.18	\$ -	\$ -	\$ -	\$ -	\$ 128,899.28	\$ 241,044.08	\$ 112,029.72	\$ 838,362.73	\$ 10,308,507.27	\$ -	\$ 2,028,895.00	\$ 13,173,774.00			
IB. OTHER EXPENSES																				
(1) Building Occupancy	\$ 136,144.47	\$ 7,270.76	\$ 143,415.23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,031.48	\$ 2,031.48	\$ 1,448.59	\$ 148,895.21	\$ 1,588,300.79	\$ -	\$ 429,150.00	\$ 2,134,335.00			
(2) Professional Services	\$ 47,416.43	\$ 2,482.71	\$ 49,899.14	\$ 1,488.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,893.97	\$ 10,786.42	\$ 3,853.24	\$ 72,583.24	\$ 93,655.20	\$ -	\$ -	\$ 166,238.50			
(3) Travel	\$ 1,818.00	\$ 85.20	\$ 1,903.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,704.00	\$ 49.88	\$ 1,753.98	\$ 21,869.02	\$ -	\$ 60,990.00	\$ 63,813.00			
(4) Equipment	\$ 8,671.81	\$ 456.41	\$ 9,128.22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,128.22	\$ -	\$ 9,128.22	\$ 147,278.78	\$ -	\$ 28,165.00	\$ 164,672.00			
(5) Food Services	\$ 112,348.33	\$ 5,912.96	\$ 118,261.29	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,261.29	\$ -	\$ 118,261.29	\$ 373,339.50	\$ -	\$ -	\$ 491,590.79			
(6) Medical, Alcho and Pharmacy	\$ 494.00	\$ 26.00	\$ 520.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 520.00	\$ -	\$ 520.00	\$ 3,091.00	\$ -	\$ -	\$ 3,611.00			
(7) Subcontracted Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
(8) Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
(9) Interest Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
(10) Operating Supplies & Expenses	\$ 9,172.50	\$ 482.76	\$ 9,655.26	\$ 183.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,094.49	\$ 1,277.49	\$ 182.89	\$ 11,115.74	\$ 354,791.26	\$ -	\$ 1,924.00	\$ 356,715.26			
(11) Other	\$ 10,488.16	\$ 552.01	\$ 11,040.17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,763.13	\$ 2,806.38	\$ 1,675.74	\$ 15,522.26	\$ 122,921.71	\$ -	\$ 297,162.00	\$ 345,006.00			
(12) Donated Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
TOTAL OTHER EXPENSES =	\$ 329,354.50	\$ 17,281.81	\$ 346,636.31	\$ 1,671.32	\$ 1,671.32	\$ -	\$ -	\$ -	\$ -	\$ 10,657.55	\$ 26,639.75	\$ 43,749.24	\$ 415,987.20	\$ 3,342,722.70	\$ -	\$ 1,654,422.00	\$ 5,413,142.00			
TOT. PERSONNEL & OTH. EXP. =	\$ 787,460.01	\$ 41,443.35	\$ 828,903.26	\$ 49,378.50	\$ 49,378.50	\$ -	\$ -	\$ -	\$ -	\$ 137,545.83	\$ 267,684.81	\$ 155,789.06	\$ 1,253,390.93	\$ 13,651,229.97	\$ -	\$ 3,683,326.00	\$ 16,586,916.00			
IC. DISTRIBUTED INDIRECT COSTS																				
(a) Other Support Costs (Optional)	\$ 194,615.05	\$ 10,242.00	\$ 204,857.05	\$ 12,229.00	\$ 12,229.00	\$ -	\$ -	\$ -	\$ -	\$ 33,893.56	\$ 68,158.57	\$ 38,497.54	\$ 390,512.89	\$ 3,373,813.31	\$ -	\$ 0.00	\$ 3,664,326.00			
(b) Administration	\$ 194,615.05	\$ 10,242.00	\$ 204,857.05	\$ 12,229.00	\$ 12,229.00	\$ -	\$ -	\$ -	\$ -	\$ 33,893.56	\$ 68,158.57	\$ 38,497.54	\$ 390,512.89	\$ 3,373,813.31	\$ -	\$ 0.00	\$ 3,664,326.00			
TOT. INDIRECT COSTS =	\$ 194,615.05	\$ 10,242.00	\$ 204,857.05	\$ 12,229.00	\$ 12,229.00	\$ -	\$ -	\$ -	\$ -	\$ 33,893.56	\$ 68,158.57	\$ 38,497.54	\$ 390,512.89	\$ 3,373,813.31	\$ -	\$ 0.00	\$ 3,664,326.00			
TOTAL PROJECTED OVER EXPENSES =	\$ 982,075.86	\$ 51,683.18	\$ 1,033,759.04	\$ 61,608.38	\$ 61,608.38	\$ -	\$ -	\$ -	\$ -	\$ 171,539.39	\$ 333,841.38	\$ 595,807.42	\$ 1,581,872.72	\$ 13,651,229.97	\$ 0.00	\$ 0.00	\$ 14,586,916.00			
ID. UNALLOWABLE COSTS	\$ 10,000.00	\$ 2,218.38	\$ 12,218.38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,049.37	\$ 337,538.83	\$ -	\$ 92,220.00	\$ 442,688.00			
IE. TOTAL SAMH LINES OF CREDIT EQUIVALENT =	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
TOT. ALLOWABLE PROJTD OPERATING EXP., Excluding SAMH Credit Equivalent =	\$ 971,244.86	\$ 49,400.79	\$ 1,020,714.47	\$ 81,608.38	\$ 81,608.38	\$ -	\$ -	\$ -	\$ -	\$ 171,539.39	\$ 333,841.38	\$ 595,807.42	\$ 1,548,823.35	\$ 13,315,691.14	\$ -	\$ -	\$ 14,144,308.00			
IF. CAPITAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
IG. BUDGET NARRATIVE (attach separate set of worksheets)																				
PART II. CERTIFICATION																				
(I certify the above to be an accurate projection and in agreement with this agency's records and with the terms of this agency's contract with the department.)																				
This																				
Date																				
Signature																				

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.

DATE PREPARED:

PART I: Audit Schedule

STATE-DESIGNATED SAMH COST CENTERS																		
STATE SAMH-FUNDED COST CENTERS																		
Program 1																		
Combined Programs																		
FUNDING SOURCES & REVENUES	RESIDENTIAL II 83%		Total for Combined Programs (B ₁₋₄ +...+B ₁₋₁₁)		Outreach B ₂₋₄	Outpatient B ₂₋₃	Day/Night B ₃₋₄	Case Management B ₃₋₃	Assessment B ₃₋₄	Intervention B ₃₋₄	Children Substance Abuse Prevention/ B ₃₋₄	Total for Program 1 (B ₁₋₄ +...+B ₁₋₁₁) C ₂	Total for State SAMH-Funded Cost Centers (C ₁ +...+C ₁₁) D	Total for Non- State-Funded SAMH Cost Centers E	Tot. for All State- Designated SAMH Cost Centers (D+E) F	Non-SAMH Cost Center G	Total Funding (F+G) H	
	B ₁₋₄	B ₁₋₅	C ₁	B ₂₋₄														B ₂₋₃
A. TOTAL STATE SAMH FUNDING																		
(1) District funding this contract SFPC	\$ 587,713.86	\$ 120,375.13	\$ 708,088.99	\$ 46,533.65	\$ 55,436.45	\$ 79,807.56	\$ 5,177.12	\$ 7,297.48	\$ 14,983.37	\$ -	\$ -	\$ 209,235.63	\$ 917,324.62	\$ -	\$ 917,324.62	\$ -	\$ -	\$ 917,324.62
(2) From Other Districts DCF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,534.45	\$ -	\$ -	\$ -	\$ 127,526.24	\$ -	\$ 166,060.69	\$ 166,060.69	\$ -	\$ 166,060.69	\$ -	\$ -	\$ 166,060.69
	\$ 587,713.86	\$ 120,375.13	\$ 708,088.99	\$ 46,533.65	\$ 55,436.45	\$ 116,342.01	\$ 5,177.12	\$ 7,297.48	\$ 14,983.37	\$ 127,526.24	\$ -	\$ 375,296.32	\$ 1,083,385.31	\$ -	\$ 1,083,385.31	\$ -	\$ -	\$ 1,083,385.31
B. OTHER GOVT. FUNDING																		
(1) Other State Agency Funding	\$ 38,813.11	\$ 7,949.67	\$ 46,762.78	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,762.78	\$ -	\$ 46,762.78	\$ 179,524.31	\$ -	\$ 226,287.09
(2) Medicaid	\$ (15.12)	\$ (3.10)	\$ (18.22)	\$ -	\$ (342.24)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (342.24)	\$ (360.46)	\$ 7,321.41	\$ 6,960.95	\$ 4,698,312.05	\$ -	\$ 4,703,273.00
(3) Local Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,845,525.17	\$ -	\$ 2,845,525.17
(4) Federal Grants and Contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,364.06	\$ 102,364.06	\$ 8,913,224.92	\$ -	\$ 9,015,590.00
(5) In-kind from local govt. only	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOT. OTHER GOVT. FUNDING =	\$ 38,797.98	\$ 7,946.58	\$ 46,744.56	\$ -	\$ (342.24)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (342.24)	\$ 46,402.32	\$ 109,885.49	\$ 156,087.81	\$ 16,634,586.45	\$ -	\$ 16,790,674.26
C. ALL OTHER REVENUES																		
(1) 1st & 2nd Party Payments	\$ 983.86	\$ 201.51	\$ 1,185.37	\$ -	\$ 3,359.58	\$ 1,734.99	\$ -	\$ 12.18	\$ (119.88)	\$ -	\$ -	\$ 4,985.87	\$ 6,171.24	\$ 6,888.83	\$ 13,080.07	\$ 1,511,913.93	\$ -	\$ 1,524,974.00
(2) 3rd Party Payments (except Medicare)	\$ 78.63	\$ 15.69	\$ 92.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92.32	\$ 306.07	\$ 398.39	\$ 87,763.00	\$ -	\$ 87,763.00
(3) Medicare	\$ 16.96	\$ 3.47	\$ 20.43	\$ -	\$ 113.15	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113.15	\$ 133.58	\$ 370.15	\$ 3,843.73	\$ 639,775.00	\$ -	\$ 639,775.00
(4) Contributions and Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(5) Other	\$ 975.17	\$ 199.73	\$ 1,174.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,174.90	\$ 35,177.21	\$ 36,352.11	\$ 980,184.32	\$ -	\$ 1,016,536.43
(6) In-kind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOT. ALL OTHER REVENUES =	\$ 2,052.61	\$ 420.41	\$ 2,473.02	\$ -	\$ 3,471.73	\$ 1,734.99	\$ -	\$ 12.18	\$ (119.88)	\$ -	\$ -	\$ 5,099.02	\$ 7,572.04	\$ 46,082.26	\$ 53,654.30	\$ 3,215,114.13	\$ -	\$ 3,269,068.43
TOTAL PROJECTED FUNDING =	\$ 628,564.45	\$ 128,742.12	\$ 757,306.57	\$ 46,533.65	\$ 58,565.94	\$ 120,077.00	\$ 5,177.12	\$ 7,309.66	\$ 14,863.49	\$ 127,526.24	\$ -	\$ 380,053.10	\$ 971,298.98	\$ 155,767.75	\$ 1,293,127.42	\$ 19,850,000.58	\$ -	\$ 21,143,128.00

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
PROGRAM/COST CENTER ACTUAL REVENUE AND EXPENSES SCHEDULE
FOR THE PERIOD FEBRUARY 1, 2010 THROUGH JANUARY 31, 2011

STATE-DESIGNATED SAMH COST CENTERS																
STATE SAMH-FUNDED COST CENTERS																
Program 1																
Combined Programs																
EXPENSE CATEGORIES																
A																
RESIDENTIAL II 83% B ₁₋₂																
RESIDENTIAL IV 17% B ₃₋₄																
Total for Program 1 or Combined (B ₁₋₂ +B ₃₋₄) C ₁																
Outreach B ₅₋₆																
Outpatient B ₇₋₈																
Day/Night B ₉₋₁₀																
Case Management B ₁₁₋₁₂																
Assessment B ₁₃₋₁₄																
Intervention B ₁₅₋₁₆																
Children Abuse/Prevention/Intervention B ₁₇₋₁₈																
Total for State SAMH-Funded SAMH Cost Centers (C ₁ +C ₂) D																
Total for Non-State-Funded SAMH Cost Centers E																
Tot. for All State-Designated SAMH Cost Centers (D+E) F																
Non-SAMH Cost Center G																
Other Support Costs (optional) H																
Administration I																
Total Expenses (F+G+H+I+J) J																
*except for A & B																

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.

**REPORTS REQUIRED BY THE
OFFICE OF MANAGEMENT AND BUDGET
(OMB) CIRCULAR A-133**

JANUARY 31, 2012

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
REPORTS REQUIRED BY OMB CIRCULAR A-133
JANUARY 31, 2012

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Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

To the Board of Directors
Jessie Trice Community Health Center, Inc.

We have audited the financial statements of the Jessie Trice Community Health Center, Inc. ("the Center"), as of and for the year ended January 31, 2012, and have issued our report thereon dated August 20, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Center's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that is required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of management, the audit committee, members of the Board, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Sharpton Brunson & Company P.C.

August 20, 2012



SHARPTON, BRUNSON & COMPANY, P.A.

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Report On Compliance With Requirements Applicable To Each Major Federal Programs And On Internal Control Over Compliance In Accordance With OMB Circular A-133

To the Board of Directors
Jessie Trice Community Health Center, Inc.

Compliance

We have audited the compliance of the Jessie Trice Community Health Center, Inc. ("the Center"), with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended January 31, 2012. The Center's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Center's management. Our responsibility is to express an opinion on the Center's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Center's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Center's compliance with those requirements.

In our opinion, the Jessie Trice Community Health Center, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended January 31, 2012.

Internal Control Over Compliance

The management of the Center is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Center's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control over compliance.

Internal Control Over Compliance (cont'd)

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards Financial Assistance

We have audited the basic financial statements of the Center as of and for the year ended January 31, 2012, and have issued our report thereon dated August 20, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and Chapter 10.650, Rules of the Auditor General of the State of Florida and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Directors, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


August 20, 2012

**JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JANUARY 31, 2012**

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unqualified Opinion

Internal control over financial reporting:

- Significant deficiencies identified? ☐ Yes ☒ No
- Significant deficiencies identified that are considered to be material weaknesses? ☐ Yes ☒ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Program

Internal control over major programs:

- Significant deficiencies identified? ☐ Yes ☒ No
- Significant deficiencies identified that are considered to be material weaknesses? ☐ Yes ☒ None Reported
- Noncompliance material to federal program noted ☐ Yes ☒ No

Type of auditor's report issued on compliance for major programs: Unqualified Opinion

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ☐ Yes ☒ No

Identification of Major Programs:

CFDA Numbers	Name of Federal Program or Cluster
93.224	Consolidated Health Center Program
93.918	Ryan White HIV/AIDS Program Part C
93.703	ARRA – Health Center Integrated Services Development

Dollar threshold used to distinguish between Type A and Type B programs:

\$322,457

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

**JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JANUARY 31, 2012**

Section II - Current Year - Findings & Questioned Costs

No findings were reported.

Section III - Prior Year - Findings & Questioned Costs

No findings were reported.

Section IV - Current Year - Federal Awards Findings and Questioned Costs

No findings were reported.

Section V - Prior Year - Federal Awards Summary

No findings were reported.

Section VI – Current Year - Financial Assistance - Management Letter

No management letter was issued.

Section VII - Current Year - Other Compliance Matters Findings and Questioned Costs

No findings were reported.

**JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JANUARY 31, 2012**

<u>Federal Grantor/Pass-Through Grantor/ Program</u>	<u>CFDA No.</u>	<u>Grant/ Contract Number</u>	<u>Federal Expenditures</u>
FEDERAL PROGRAMS			
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Direct program:			
Consolidated Health Center (Section 330)	93.224	5H80CS00732-09-00	\$ 7,442,095
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	166H76HA00097-18-01	449,624
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918	2H76HADDD97-18-00	326,305
			<u>8,218,024</u>
ARRA – Grants to Health Center Programs	93.703	1H8BCS11713-01-01	22,291
ARRA – Grants to Health Center Programs	93.703	1C81CS13724-01-00	647,890
			<u>670,181</u>
Subtotal U.S. Department of Health and Human Services direct programs			<u>8,888,205</u>
Pass-Through State of Florida Department of Children & Families			
Block Grants for prevention and Treatment of Substance Abuse –	93.959	KD 226	72,837
Pass-Through State of Florida Department of Health			
HIV Emergency Relief Project Grants	93.914	DEV82	22,980
HIV Emergency Relief Project Grants	93.914	DEV31	49,590
			<u>72,570</u>
Pass-Through Miami – Dade County (Ryan White I)			
HIV Emergency Relief Project Grants	93.914	YR-21 R-1381-06	154,361
HIV Emergency Relief Project Grants	93.914	YR-20 R-1381-06	6,724
			<u>161,085</u>
Pass-Through South Florida Behavioral Health Network, Inc.			
Block Grants for Prevention and Treatment of Substance Abuse	93.959	ME 225 07	796,498
Temporary Assistance for Needy Families (TANF)	93.558	KD 228 07	311,313
			<u>1,107,811</u>
Pass-Through Health Start Coalition Of Miami-Dade			
Medical Assistance Program	93.778	HSJTC1112	209,984
Maternal and Child Health Services Block Grant to the States	93.994	HSJTC1011	200,065
			<u>410,049</u>
Total U.S. Department of Health and Human Services			<u>10,712,557</u>
U.S. DEPARTMENT OF AGRICULTURE:			
Supplemental Nutrition Assistance Program (SNAP)	10.551	N/A	36,005
Total U.S. Department of Agriculture			<u>36,005</u>
Total Expenditures of Federal Awards			<u>\$ 10,748,562</u>

JESSIE TRICE COMMUNITY HEALTH CENTER, INC.
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JANUARY 31, 2012

General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal awards programs of the Jessie Trice Community Health Center, Inc. for the year ended January 31, 2012. All federal awards expended from agencies are included in this Schedule.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activities of the Center and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.